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KNOWLEDGE, AWARENESS AND PERCEPTION OF HEALTH INSURANCE AMONG INSURED IN A TERTIARY CARE HOSPITAL

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ABSTRACT

A descriptive study design was carried out to assess the knowledge, awareness, and perception of an insured person about health insurance in a tertiary care hospital. A well-framed structured questionnaire was administered to the opinions of the 384 respondents (insured and uninsured), out of which 92% are insured and only 8% are uninsured. Only a few (12%) of insured do not know how much policy coverage is there for hospital charges and 27% of insured have chosen health insurance policy in order to avail good quality treatment. The result clearly shows that most people are not that aware of the process of initiating cashless hospitalization. Hence the insurance companies, third-party administrators, and the hospital must work in synergy.

Key words: Awareness, Knowledge, Health Insurance, Perception

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1. INTRODUCTION

1.1. Background

Health insurance in India predominantly covers hospitalization and not outpatient or domiciliary care. A recent publication on healthcare expenditure in India suggests that outpatient healthcare expenditure has increased by almost fifty percent in the past decade. A large portion of this expenditure is spent on drugs, diagnostics and doctor fees. There is a dire need to curtail this expenditure (Jayakrishnan 2016). As per a study published in the Indian Journal of Medical ethics, private health insurance remains highly unregulated and lacks transparency. This study illustrates three points "by the hospital which overcharges you or changes rates without informing you; the Third Party Administrator (TPA) which cheats you by reducing the approved amount for irrational reasons, or by not giving any reasons at all, and the insurance company for washing its hands of the matter and passing the buck to the Third Party Administrator " (Ravi Duggal 2011).

1.2. Policy holders Awareness and knowledge

Policyholders have inadequate knowledge on illnesses covered in their policies, exclusion of illnesses in the policy, cashless reimbursement and the list of empanelled hospitals. Similarly policyholders are not aware of the fact that insurance companies charge extra premium for TPA services. It is quite evident that policyholders have little information about their insurance policy. They are not aware of TPA. Policyholders perceptually equate TPAs with traditional insurance agent. Generally policyholders avoid dealing directly with their insurance companies due to various procedural hassles. Insurance agents seem to have major influence on policyholders' decisions and policyholders have more trust and faith in them. As per data, from NSSO survey- Government of India, 80% were not covered by any insurance, but dependent on private sector for treatment. Studies of this type have the potential to reveal the problems confronting health care benefit and pave ways for policy makers, the local government, the state government, the federal government as well as research institutions and nongovernmental organizations (NGOs). It will serve as a framework for assessing the development, increasing the level of awareness among public and improving the knowledge on insurance policies. There is a need for this study to carry out in hospital since insured approach hospital to obtain treatment. If the insured have proper knowledge on their policy and related documents, aware of rules and procedure, it will help both insured and hospital to initiate the cashless hospitalization effortlessly (Abhijit Pandit 2016).

Many times health insurance companies assume that all insured are aware of the policies and procedures, but it does not happen at all time. Whether insurance is offered through employment, purchased voluntarily or sponsored by the government for select populations, all potentially contribute towards the health systems goal of providing financial risk protection and reducing the financial barriers to quality health care. But still there is lack of knowledge and awareness among individuals regarding how the insurance must be used and related rules and procedures.

Objectives of the present study were to assess the awareness, knowledge and perception of insured about health insurance and to evaluate the knowledge on health insurance coverage in tertiary care hospital and to find out the difficulties faced by individuals related to health insurance.

2. METHODS

Descriptive survey was conducted among 384 respondents through well framed structured questionnaire to obtain the well-considered opinion of the respondents, which includes the patient admitted through insurance department and attenders who accompany with patient to

the hospital was taken as sample frame and the respondents (Insured and Non-Insured) are asked to fill up the questionnaire. The inclusion Criteria followed is respondents must be above 20 years of age. The survey was carried out from February 2018 to April 2018 (3 months). The questionnaire was adapted from few previous studies and reviews related to health insurance and enough concentration was given in translation of questionnaire from English to local languages (Tamil) ensuring the meaning of the questions does not change. First part of the questionnaire contained the demographic variables like age, gender, and marital status, type of family, education, occupation and income. The second part contained questions related to awareness of policy holders, third part contained questions related to perception and fourth part contained questions related to knowledge level of the policy holders. Informed consent was obtained from each respondent at the time of data collection process. And institution ethical committee approval was obtained.

Pilot study was conducted among 12 samples from the population in order to assess the reliability (0.712). It indicates good consistency among the test items. The mistakes so found are corrected and altered accordingly. Awareness level of the respondents was scored based on their answers to 9 questions similarly for assessing knowledge (3 questions) and to know the perception of the respondents few questions were asked. The data collected was carefully coded and entered in Microsoft Excel Spread Sheet and data analysis was carried out using SPSS Version.

3. REVIEW OF LITERATURE

Most of the studies largely covered the awareness of the people with respect to health insurance. In contrast Sodani, P.R. (2001) investigates "The community's preferences on various aspects of health insurance". According to the study quality of care and cost are the two important factors identified by the community, as the factors affecting their decision to subscribe to any new health insurance plan. The results of their study also suggest that there is high level of willingness to join a health insurance plan in future if designed carefully for the informal sector.

Ramesh Bhat et al. (2005) conducted a survey entitled "Third Party Administrators and Health Insurance in India: Perception of Providers and Policyholders" where the paper describes the findings of a survey study. They carried out the survey with the objective to ascertain the experiences and challenges perceived by hospitals and policyholders in availing services of TPA in Ahmadabad, Gujarat. The study suggests that there is a clear indication needs to focus on strengthening the human capital and smooth delivery of services by TPAs in health insurance market.

Sumninder Kaur Bawa et al. (2011) published a paper on "Awareness and Willingness to Pay for Health Insurance: An Empirical Study with Reference to Punjab India. The study results that there is a significant association between the gender; age; education; occupation; income of respondents with their willingness to pay for health insurance.

4. RESULTS

Table 1 reveals the demographic details of the respondents (N=384). Most of them were in the age group of 30 to 40 years (40%), 63% were male, 78% were married under insured category. Type of family was equally distributed among insured. 50% of the respondents are graduated in both insured and uninsured category. More than 50% of them were employed and has income above INR 2 lakh per annum.

Table 1: Demographic details of the respondents

CHARACTERISTICS	Respondents (N = 384)			
	INSURED		UNINSURED	
	Frequency	%	Frequency	%
Age (Years)				
20-30	121	34	23	72
30-40	156	44	6	19
40-50	52	15	2	6
50-60	4	1	1	3
≥ 60	19	5	0	0
Gender				
Male	223	63	14	44
Female	129	37	18	56
Marital Status				
Single	77	22	22	69
Married	275	78	10	31
Type of Family				
Joint	177	50.3	10	31
Nuclear	175	49.7	22	69
Education				
Less than Middle level	6	2	1	3
Higher secondary	25	7	5	16
Graduation	176	50	16	50
Post-graduation	145	41	10	31
Occupation				
Employed	201	57	12	38
Self-employed	47	13	6	19
Unemployed	6	2	5	16
Professional	80	23	7	22
Family owned Business	3	1	0	0
Retired	15	4	0	0
Income (INR per annum)				
<50,000/-	74	21	12	38
50000 – 100000	47	13	7	22
100000 - 150000	19	5	5	16
150000 - 200000	29	8	2	6
>200000	183	52	6	19
Heard about health insurance (N = 32)				
Yes			24	75
No			8	25
Sources of awareness				
TV			6	25
Newspaper			6	25
Agents			5	21
Family			3	13
Friends			2	8
Movies			1	4
Employees of Insurance Companies			1	4

Source: Primary date

The table 1 clearly indicates that 92% of the samples are insured and only 8% of the samples are uninsured. The majority of the insured respondents is male and falls under the age groups between 30- 40 and 20-30 years. It is also found that most of the insured are married (78%). Their educational background being graduation is the highest (50%) of all the categories and majorities of them are employed (57%) and professionals (23%). It is evident that 52% of the insured annual income was found to be above INR 2 lakh per annum. Among 32 uninsured respondents, 25% of uninsured gain awareness about health insurance is Television. 25% of uninsured through newspaper, 21% of uninsured through agents, 8% of uninsured through friends, 4% of uninsured through movies, 4% of uninsured through friends, 4% of uninsured through employees of insurance companies

The study clearly indicates that among 32 uninsured respondents, 53% of uninsured agree that low salary/ non availability of funds is the reason for not taking health insurance whereas 16% of uninsured strongly agree to the statement. 6% of uninsured feel indifferent. 19% of uninsured disagree that low salary/ non availability of funds is not the reason for not taking health insurance whereas 6% of uninsured strongly disagree to the statement. 44% of uninsured agree that the reason for not taking health insurance is they don't like to buy health insurance and they do not feel the need for it. Around 50% of the uninsured agree that the reason for not taking the insurance as they prefer to invest money in some other areas and agreed that they are not aware about it.

Out of the 32 uninsured respondents, more than 50% of them felt that more hidden costs, copayments (63%) and more deductibles are involved in availing the health insurance policy. And also they found difficulty in availing services in the hospitals while using health insurance policy.

Table 2: Level of awareness, knowledge and perception of the respondents about health insurance with regard to demographic variables

DEMOGRAPHIC VARIABLE	AWARENESS VARIBALES	PERCEPTION VARIABLE	KNOWLEDGE VARIABLE	P VALUE
GENDER	• Awareness on Health Insurance Policy • Source of Awareness • Willingness to pay for add on Services • Promotional Efforts Taken by Insurance Company	• Preferred Payer • Type of Medical Institution		<0.001
AGE GROUP	• Type of Health Insurance Policy • People Persuade to Purchase the policy • Service Provided Delivered Effectively • Promotional Efforts Taken by Health Insurance Company	• Preferred Contributor • Preferred Payer • Preferred Location for Healthcare	• Knowledge on Coverage of Hospital Charges • Coverage of Surgical Expenses • Coverage of Discharge Medicines after Hospitalization	<0.001
MARITAL STATUS	• Type of Health Insurance Policy • People Persuade to Purchase the Policy • Promotional Efforts taken by Insurance Company • Reason For Going in for Health Insurance Policy		• Coverage of Discharge Medicines after Hospitalization	<0.001

TYPE OF FAMILY	• Reason For Going in for Health Insurance Policy • People Persuade to Purchase the Policy • Service Provided Delivered Effectively • Chances for Renewal of Policy • Willingness to Pay for Add On Services • Promotional Efforts Taken By Insurance Company		• Coverage of Surgical Expenses • Coverage of Discharge medicines after hospitalization	<0.001
EDUCATION	• Reason For Going in for Health Insurance Policy • People Persuade to Purchase the Policy • Willingness to Pay for Add On Services • Promotional Efforts Taken By Insurance Company	• Type of Medical Institution	• Coverage of Discharge Medicines after Hospitalization	<0.001
OCCUPATION	• Type of Health Insurance Policy • Reason For Going in for Health Insurance Policy • People Persuade to Purchase the Policy • Awareness Approach Adopted • Promotional Efforts Taken By Insurance Company • Chance for Renewal of Policy • Willingness to pay for add on Services	• Preferred Location for Health Care • Preferred Contributor • Preferred Payer • Type of Medical Institution	• Coverage of Hospital Charges • Coverage of Surgical Expenses • Coverage of Discharge Medicines after Hospitalization	<0.001
INCOME	• Reason For Going in for Health Insurance Policy • People Persuade to Purchase the Policy • Awareness Approach Adopted • Promotional Efforts Taken By Insurance Company • Chance for Renewal of Policy • Willingness to pay for add on Services	• Preferred Location for Health Care	• Coverage of Hospital Charges • Coverage of Surgical Expenses • Coverage of Discharge Medicines after Hospitalization •	<0.001

Source: Primary date

Overall awareness level has significant association ($P < 0.001$) with all of the demographic variables (Table 2). Few of the perception variables like preferred payer, preferred contributor and preferred location has significant association with gender, age group, education, occupation and income of the respondents. Whereas the knowledge level has no significant association with gender and it has significant role in other demographic variables and hence the null hypotheses are accepted.

5. DISCUSSION

Although studies are conducted in different states of India to know the awareness level of the respondents, this study has unique features of assessing the awareness level along with the perception and the knowledge level with regard to health insurance policy from the respondents. According to the report, between 2013 and 2017, "Stand-alone health insurers are specialists and hence are able to innovate on the product as well as servicing side. With increasing and directed focus towards health products alone, stand-alone insurers are able to provide solutions for fulfilling customer needs which were considered difficult to meet earlier". This was substantiated by the current study, among the respondents 54% of insured was seeked out by insurance agent for subscribing to the health insurance policy and 46% of insured seeked their insurance agent for their subscription to health insurance policy.

In the current study, among 352 insured respondents, 29% of insured have subscribed due to employers contribution, 27% of insured have subscribed in order to avail good quality treatment, 24% of insured have subscribed for risk coverage against future against future illness, old age etc. 10% of insured have subscribed due to existing illness, 8% of insured have subscribed as a tax planning measure and 2% of insured have subscribed due to travelling abroad.

Some of the challenges faced by the respondents during their visit to the hospital with respect to health insurance are as follows:

- During emergency unavailability of insurance card/e-card delay the process initiation for cashless hospitalization.
- Not aware of their Third Party Administrators.
- Sometimes while processing pre authorization form of the insured, TPA raise a query to submit previous year policy documents. The insured find it difficult to produce the same.
- Due to pre-existing disease, claims are denied for the insured. Since the insurer did not declare it while subscribing to the policy. Even after paying the premium they could not avail the facility.
- Insured are not aware of their sum assured and room rent eligibility, if they unknowing avail facilities above their eligibility they need to pay extra that causes financial burden.

The following are the suggestions to create more awareness among individuals and how to reduce the problems faced by individuals related to health insurance.

- The premium amount to be fixed based on the socio economic condition to attract more rural people to avail health insurance policy.

- The people are not that aware about the process of initiating the cashless hospitalization. Hence the insurance companies, third party administrators and hospital must work in synergy to increase the awareness through promotional activities in print media, Advertisement etc. This problem will be overcome by empanelling with the Ayushman Bharat Scheme.

- The policy, rules and regulations must be written in legible language for the easy understanding for individuals.

- A well formulated standard operating procedure must be created and followed by hospital across India for cashless hospitalization.
- A proper MOU and Tie up between insurance company, third party administrator and hospitals must be established for smooth functioning.
- The insurance processing in hospitals can be transformed using the solutions of information technology and reduce unnecessary time consuming paperwork.

6. CONCLUSION

According to the report, Ayushman Bharat will upgrade over 150,000 sub-centres to health and wellness centres by 2022. Until now, all public sector hospitals and more than 9,000 private hospitals have been empanelled and more than 38,000 patients were hospitalized in the first two weeks of the launch. Ayushman Bharat will help increase health insurance penetration; also, since the basic cover would now be available through Ayushman Bharat, the focus of insurers would be towards developing solutions for meeting other out-of-pocket expenses like OPD, pharmacy, diagnostics etc. which are currently at about 65% of the overall healthcare spends.

Meanwhile, health insurance companies and hospitals need to be proactive in spreading the right knowledge about health insurance and help the common masses understand the minor nuances of health insurance. Helping the people decode difficult clauses and fine print is what would fill the gap in awareness. Uncomplicated health insurance for the common man is the need of the hour. After all, health insurance is not just another product in the market. It is a promise of protection against the medical expenses of the future.

The study conducted in insurance department, in a private tertiary healthcare hospital shows that there exists a certain gap in awareness and knowledge on health insurance among individuals. The organization must concentrate more on reducing these gaps and make necessary improvements to enhance the satisfaction between the patients and the organization.

7. LIMITATIONS

The study is restricted to Private Insurance Division. Corporate and Government Insurance Division were not included. The analysis and interpretation of the study is based on the opinion obtained by the respondents through questionnaire, which may or may not be completely accurate and correct to identify the facts. The findings so found cannot be generalized and it only pertains to patients and attenders who obtain medical care via health insurance department of the selected tertiary care hospitals.

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